

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Burton Analyst: Gloria McConnell Bill Number: SB 445

Related Bills: See Prior Analysis Telephone: 845-4336 Amended Date: 07/16/01

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Taxpayers' Bill of Rights/Intent of Legislature Regarding Disputed Tax Liability

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER TECHNICAL AMENDMENT NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED March 26, 2001, STILL APPLIES.

OTHER - See comments below.

SUMMARY

This bill would state the following legislative intent in the Taxpayers' Bill of Rights (TBR):

- that the purpose of any tax proceeding between the Franchise Tax Board (FTB) and the taxpayer is to determine the taxpayer's correct tax liability; and
- that the FTB may inquire into and the taxpayer shall be allowed every opportunity to present all relevant information pertaining to the taxpayer's liability.

Additionally, this bill would require that certain written public records distributed by FTB staff or individual FTB members prior to or during an FTB meeting be disseminated as specified before the FTB takes any final action on that item.

SUMMARY OF AMENDMENTS

The July 16, 2001, amendments make technical, clarifying changes to the legislative intent of the bill summarized in the above second bulleted item.

Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input checked="" type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING

Legislative Director

Date

Brian Putler

08/21/01

The June 25, 2001, amendments resolved the implementation considerations identified in the analysis of the bill as introduced. These amendments:

- place the word “correct” immediately preceding “tax liability” instead of preceding “determination:”
- provide that the relevant information that may be presented and considered is with respect to the “taxpayer’s” liability, instead of limiting the information only to that pertaining to the “disputed” liability;
- limit the required dissemination of public records to only those public records distributed by FTB “staff or individual members,” instead of all persons; and
- provide that the dissemination of public records described must be made before FTB takes “any final action on that item,” instead of before FTB “schedules the item to be heard.”

FISCAL IMPACT

This bill should not significantly impact the department’s costs.

LEGISLATIVE STAFF CONTACT

Gloria McConnell
Franchise Tax Board
845-4336

Brian Putler
Franchise Tax Board
845-6333